

**REMARKS**

Claims 1-3 and 10-20 were examined and reported in the Office Action. Claims 1-3 and 10-20 are rejected. Claim 19 is cancelled. Claims 1, 18 and 20 are amended. New claim 21 is added. Claims 1-3, 10-18 and 20-21 remain.

Applicant requests reconsideration of the application in view of the following remarks.

**I. 35 U.S.C. § 102(a)**

It is asserted in the Office Action that claims 1-3, 10 and 18-20 are rejected under 35 U.S.C. § 102(a) as being anticipated by European Application No. EP 0829,830 issued to Hirokawa et al. ("Hirokawa"). Applicant respectfully disagrees.

According to MPEP 2131, "[a] claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.' (Verdegaal Bros. v. Union Oil Co. of California, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987)). 'The identical invention must be shown in as complete detail as is contained in the ... claim.' (Richardson v. Suzuki Motor Co., 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989)). The elements must be arranged as required by the claim, but this is not an *ipsissimis verbis* test, i.e., identity of terminology is not required. (In re Bond, 910 F.2d 831, 15 USPQ2d 1566 (Fed. Cir. 1990))."

Applicant's amended claim 1 contains the limitations of "[p]rocess for managing an electronic transaction with a trader by means of a bank card of the category with a microprocessor chip and of a reading terminal able to interact with said card... wherein the first counter automatically stores said incremented value when the value of the amount of the transaction is below the first threshold, the amount thus incremented being submitted by the card to the bank for debit of the bearer's account when a procedure for authenticating the bearer of the card is instigated."

Applicant's amended claim 18 contains the limitations of "[m]icroprocessor chip card intended to be used to carry out electronic transactions, said microprocessor chip card comprising means for performing a first comparison step where said chip card compares this amount with a first threshold value and instigates a bearer authentication procedure when this amount is above said first threshold, means for performing a second comparison step, said second comparison step is performed when the amount of the transaction is below said first threshold, said second comparison step compares with a second threshold value an incremented value of a first counter, ... said chip card further comprising memory means for storing one of one or more threshold values and counter values and one or more counter values, as well as means of comparison, means for submitting to the bank the amount thus incremented for debit of the bearer's account when a procedure for authentifying the bearer of the card is instigated."

Applicant's claim 20 contains the limitations of "[t]erminal for reading microprocessor chip cards, intended to be used to carry out electronic transactions, wherein said terminal comprises means for sending a signal to a microprocessor chip card, said signal indicating an amount of a transaction, wherein based on said signal, said chip card performs a first comparison step where said chip card compares the transaction amount with a first threshold value and instigates a bearer authentication procedure when this amount is above said first threshold, performs a second comparison step when the amount of the transaction is below said first threshold, said second comparison step compares with a second threshold value an incremented value of a first counter, said first counter being an aggregate of small amounts counter and being successively incremented by values of amounts of transaction in cases where said amounts are below said first threshold, said incremented value corresponding to the previous value of said first counter, incremented by the value of the amount of transaction, and instigates a procedure for authenticating the bearer of the card depending on the result of this second comparison."

In other words Applicant's claimed invention manages an electronic transaction using a bank credit card with microprocessor chip. An important aspect of Applicant's claimed invention relates to being able to carry out transactions of small amounts with

a bank credit card, without implementing the authentication procedure, which is conventionally and routinely implemented with bank credit cards. Applicant's claimed invention allows, by not performing the authentication for certain amounts, to make transactions carried out by using bank credit cards faster on average.

Moreover, Applicant's claimed invention allows fast electronic transactions as with an electronic purse, with similar security made possible by currently known protocols for bank card transactions. Applicant's claimed invention not only uses a counter for aggregating small amounts and for requesting an authenticating procedure only depending on the results of the comparison of the decremented value of the amount of transactions to a given threshold, but also does not immediately submit the transaction amounts to the bank. (Both of these features speed up transactions for a user of a bank card.). That is, the incremented amount is stored in the card and only submitted by the card to the bank for debit of the bearer's account when a procedure for authenticating the bearer of the card is instigated. Therefore, the submission protocol is only performed when the aggregated amount is sufficient, thus simplifying the process for the user and limiting the time the user spends on the transaction.

Additionally, on the trader side of a transaction, the transaction data corresponding to small amounts are also stored and accumulated in a submission file of the reading terminal used by the traders. The transaction data is not immediately transmitted to the bank, but are collected once a day for the crediting of the trader's bank account. Therefore, exchanges are limited between the traders and the bank. Thus, the billings of the banks for each card transaction should be reduced.

Hirokawa discloses electronic purses where a card bearer authentication procedure (s220, figure 5) is implemented when the amount of the transaction or the aggregated amount of the transactions carried out are greater than given thresholds (figure 4). It should be noted that electronic purses and bank cards are distinct. An electronic purse is a prepaid card corresponding to a given amount, with an internal counter which is determined at each transaction until the counter value equals "0." The electronic purse loads the pre-paid amount directly onto the electronic purse. Bank cards, however, do not integrate counters corresponding to prepaid amounts, nor load

any monetary values directly on the bank card. For this reason, bank cards need credit checks and a signature. And, whenever a micro-chip exists on bank cards, validation is through a personal identification number. This is simply not the case with an electronic purse (i.e., prepaid card). Therefore, it is easy to see that electronic purses and bank cards have distinctive processing steps and structure.

Hirokawa simply does not concern bank credit cards. Instead, Hirokawa concerns electronic purses (see e.g., column 1, lines 1 – 3, 8 – 11, 13 - 15; column 2, line 5; etc.). In particular, no reference is made in Hirokawa to a transaction carried out using a bank credit card, i.e. a credit card allowing to debit a card bearer's bank account (column 2, lines 14-15).

Moreover, Hirokawa does not teach, disclose or suggest "process for managing an electronic transaction with a trader by means of a bank card of the category with a microprocessor chip and of a reading terminal able to interact with said card... wherein the first counter automatically stores said incremented value when the value of the amount of the transaction is below the first threshold, the amount thus incremented being submitted by the card to the bank for debit of the bearer's account when a procedure for authenticating the bearer of the card is instigated," "said chip card further comprising memory means for storing one of one or more threshold values and counter values and one or more counter values, as well as means of comparison, means for submitting to the bank the amount thus incremented for debit of the bearer's account when a procedure for authentifying the bearer of the card is instigated," or "said second comparison step compares with a second threshold value an incremented value of a first counter, said first counter being an aggregate of small amounts counter and being successively incremented by values of amounts of transaction in cases where said amounts are below said first threshold, said incremented value corresponding to the previous value of said first counter, incremented by the value of the amount of transaction, and instigates a procedure for authenticating the bearer of the card depending on the result of this second comparison."

Since Hirokawa does not teach, disclose or suggest the limitations contained in Applicant's amended claims 1, 18 and 20, Applicant's amended claims 1, 18 and 20 are

not anticipated by Hirokawa. Additionally, the claims that directly or indirectly depend on Applicant's amended claim 1, namely claims 2-3,10 and 21 (newly added), also contain the same limitations and are also not anticipated by Hirokawa for the same reasons.

Accordingly, withdrawal of the 35 U.S.C. § 102(a) rejections for claims 1-3, 10 and 18-20 are respectfully requested.

**II. 35 U.S.C. § 103(a)**

**A.** It is asserted in the Office Action that claims 14-16 are rejected in the Office Action under 35 U.S.C. § 103(a), as being unpatentable over Hirokawa in view of no other prior art. Applicant respectfully disagrees.

According to MPEP 2142 “[t]o establish a prima facie case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure.” (In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991)). Further, according to MPEP 2143.03, “[t]o establish prima facie obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. (In re Royka, 490 F.2d 981, 180 USPQ 580 (CCPA 1974).” “*All words in a claim must be considered* in judging the patentability of that claim against the prior art.” (In re Wilson, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970), emphasis added).

Applicant's claims 14 and 16 directly depend on amended claim 1. Applicant discusses amended claim 1 with regard to Hirokawa above in section I. As discussed above, Hirokawa does not teach, disclose or suggest the limitations contained in Applicant's amended claim 1.

Therefore, since Hirokawa does not teach, disclose or suggest all the limitations of Applicant's claim 1 as listed above, there would not be any motivation to arrive at Applicant's claimed invention. Thus, Applicant's claim 1 is not obvious over Hirokawa in view of no other prior art since a *prima facie* case of obviousness has not been met under MPEP 2142. Additionally, the claims that directly depend from Applicant's claim 1, namely claims 14,16 and 21 (newly added), are also not obvious over Hirokawa in view of no other prior art for the above same reason.

Accordingly, withdrawal of the 35 U.S.C. § 103(a) rejections for claims 14 and 16 are respectfully requested.

B. It is asserted in the Office Action that claims 11-13, 15 and 17 are rejected in the Office Action under 35 U.S.C. § 103(a), as being unpatentable over Hirokawa in view of "Smart Cards," Catherine A. Allen and William J. Barr, with Ron Schultz, 1997, page 52 ("Smart Cards"). Applicant respectfully disagrees.

Applicant's claims 11-13, 15 and 17 directly or indirectly depend from claim 1. As discussed above, Hirokawa does not teach, disclose or suggest the limitations contained in claim 1.

Smart Cards disclose that pre-paid cards can be disposable and reloadable. Smart Cards also disclose that the pre-paid cards are anonymous. Smart Cards, however, does not teach, disclose or suggest a bank card with the limitations of Applicant's amended claim 1, as listed above.

Neither Hirokawa, Smart Cards, nor the combination of the two, teach, disclose or suggest all the limitations of Applicant's claim 1. Since neither Hirokawa, Smart Cards, nor the combination of the two disclose, teach or suggest all the limitations contained in Applicant's claim 1, as listed above, there would not be any motivation to arrive at Applicant's claimed invention. Thus, Applicant's amended claim 1 is not obvious over Hirokawa in view of Smart Cards since a *prima facie* case of obviousness has not been met under MPEP 2142. Additionally, the claims that directly or indirectly depend from Applicant's amended claim 1, namely claims 11-13, 15, 17 and 21 (newly

added), are also not obvious over Hirokawa in view of Smart Cards for the above same reason.

Accordingly, withdrawal of the 35 U.S.C. § 103(a) rejections for claims 11-13, 15 and 17 are respectfully requested.

**CONCLUSION**

In view of the foregoing, it is believed that all claims now pending, namely 1-3, 10-18 and 20-21, patentably define the subject invention over the prior art of record and are in condition for allowance and such action is earnestly solicited at the earliest possible date.

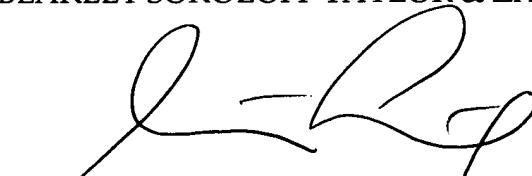
If necessary, the Commissioner is hereby authorized in this, concurrent and future replies, to charge payment or credit any overpayment to Deposit Account No. 02-2666 for any additional fees required under 37 C.F.R. §§ 1.16 or 1.17, particularly extension of time fees.

**PETITION FOR EXTENSION OF TIME**

Per 37 C.F.R. 1.136(a) and in connection with the Office Action mailed on Thursday, OCTOBER 2, 2003, Applicant respectfully petitions Commissioner for a two (2) month extension of time, extending the period for response to Tuesday, MARCH 2, 2004. Attached is a check in the amount of \$420.00 to cover the Petition filing fee for a 37 C.F.R. 1.17(a)(2) large entity. A duplicate copy of this sheet is enclosed.

Respectfully submitted,

BLAKELY SOKOLOFF TAYLOR & ZAFMAN LLP



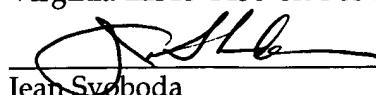
Steven Laut, Reg. No. 47,736

Dated: February 20, 2004

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**CERTIFICATE OF MAILING:**

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail, with sufficient postage, in an envelope addressed to: Commissioner of Patents, P. O. Box 1450, Alexandria, Virginia 22313-1450 on February 20, 2004.



Jean Svoboda